

Message Text

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TAGS: EINV, ETRN, ELAB, PINT, CA

SUBJECT: PROVINCIAL GOVERNMENT TO REVIEW GREYHOUND FRANCHISE RULING

REF: TORONTO 2252

1. AS A RESULT OF VERY HEAVY POLITICAL, PRESS AND PUBLIC CRITICISM, THE ONTARIO GOVERNMENT HAS AGREED TO REVIEW THE DECISION OF THE ONTARIO HIGHWAY TRANSPORT BOARD GRANTING A SHARED FRANCHISE TO GREYHOUND LINES OF CANADA LIMITED ON TORONTO TO SUDBURY AND TO BUFFALO ROUTES. THE REVIEW WILL BE CONDUCTED BY THE BOARD WITH PUBLIC HEARINGS BEGINNING JANUARY 3 AND FINDINGS TO BE REPORTED TO THE PROVINCIAL CABINET. OPPOSITION LEADERS HAVE CRITICIZED THE REVIEW DECISION AS IT PERMITS GREYHOUND TO CONTINUE OPERATING ON THE ROUTES DURING THE REVIEW PROCESS.

2. THE TORONTO STAR DEVOTED THE INSIGHT PAGE OF ITS DECEMBER 9 ISSUE TO EXCERPTS FROM THE TRANSPORT BOARDS APRIL 1976 HEARINGS ON THE GREYHOUND APPLICATION AND TO AN EXPLANATION OF THE ROLE IN GOVERNMENT OF THE BOARD. THE HEARING EXCERPTS PRINTED BY THE STAR WITHOUT COMMENT UNDERLINED (A) THE EXISTENCE OF MANY COMPLAINTS OF POOR SERVICE AND SCHEDULING BY GRAY COACH. (B) THE FACT THAT GRAY COACH DID NOT SEE FIT AT THE HEARINGS TO SUBSTANTIATE ITS RATHER BROAD CLAIMS REGARDING LOSS OF BUSINESS SHOULD THE SHARED FRANCHISE BE GRANTED AND (C) THE ADDITIONAL INVESTMENT PROJECTED BY GREYHOUND SHOULD IT BE GRANTED THE REQUESTED FRANCHISE.

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3. IN ALL THREE TORONTO PAPERS DECEMBER 9 GREYHOUND OF CANADA LIMITED TOOK FULL PAGE ADS ANSWERING THE SIX ALLEGATIONS GREYHOUND CLAIMS HAVE BEEN MADE BY OPPONENTS OF THE FRANCHISE THROUGH "DISTORTIONS AND EXAGGERATIONS ...IN THE MEDIA" AND TO THE PROVINCIAL GOVERNMENT. GREYHOUND ALSO INCLUDED IN THE STATEMENT SIGNED BY ROBERT L. BORDEN, GREYHOUND PRESIDENT, FACTS ABOUT GREYHOUND OF CANADA SUCH AS ITS OPERATION IN CANADA SINCE 1929, ITS EMPLOYMENT OF THREE THOUSAND PEOPLE WITH AN ANNUAL PAYROLL OF 32 MILLION DOLLARS, THE OWNERSHIP OF 37 PERCENT OF ITS STOCK BY NEARLY 2800 CANADIAN SHAREHOLDERS, AND ITS 11.4 MILLION DOLLARS IN CAPITAL EXPANSION PROGRAMS IN ONTARIO. THE STATEMENT ALSO REFERRED TO THE GREYHOUND SUBSIDIARY, MOTOR COACH INDUSTRIES LIMITED, MANUFACTURER OF BUSES AND SHELLS, PROVIDING 27 MILLION DOLLARS OF EXPORTS TO THE UNITED STATES.
DIGGINS

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